

did not follow up this judicious change in the plan of their improvement, with corresponding estimates; the error committed has been the attempt to carry out a great and important improvement, not originally contemplated, with insufficient means, leading to the adoption of incommensurate or inadequate plans.

The cost exceeding the original estimate is not, therefore, the result of any error in the estimate; but of an extended and enlarged improvement, not embraced in the estimate. It was, however, somewhat swelled by the increase in the price of labor, in the interim between the date of the estimate and the commencement of the work.

The great source of revenue to the improvement, will be transportation of the bituminous coal, existing, as above stated, in the valley of Deep river. The analysis of several distinguished chemists, proves this coal to be superior in the production of gas to that of any coal in the country. Two mines are opened, only one however is in operation. I am informed by the agent, that the iron ore excavated in the process of mining, will cover the cost of raising the coal; it is certainly a rare and superior quality of ore.

The coal can be delivered in Wilmington, including mining, tolls, freight and charges, affording a handsome profit to all parties, at four dollars per ton.

I am informed that extensive operations will be commenced as soon as the parties interested in the coalfields can be assured of the completion of the Cape Fear and Deep river improvement to Fayetteville.

I feel confident that the income of the coal trade alone, independent of other sources of revenue, will be sufficient to cover the the annual expenses of the work and interest on the capital, very soon after, if not from the date of the completion of the work; and that there will be, for a long period, a continually increasing demand for the coal, as well as an increasing revenue from other sources.

I have the honor to be,

Your Excellency's very ob't. serv't.

WALTER GWYNN,
Civil Engineer.